

JAN 24 2019

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# A BILL FOR AN ACT

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RELATING TO LOAN REPAYMENT FOR HEALTH CARE PROFESSIONALS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that many Hawaii  
2 residents are unable to obtain timely and appropriate health  
3 care due to shortages of primary health care providers in the  
4 State. These shortages not only threaten individual health but  
5 also cumulatively affect the State's health care costs. Rural  
6 areas of Hawaii, which have been designated by the federal  
7 government as medically underserved areas, have been most  
8 significantly affected by shortages of primary and behavioral  
9 health care providers. Social workers, marriage and family  
10 counselors, and nurses are also urgently needed.

11       In many cases, the increasingly high cost of education for  
12 health care professionals binds graduates to a career path that  
13 provides sufficient income to repay often exorbitant student  
14 loans. These career paths most frequently lead to professional  
15 practice in highly specialized areas of care in urban areas  
16 rather than in general practice on the neighbor islands or in  
17 rural areas, where the need is greatest. The legislature



1 further finds that counties in the United States with robust  
2 primary health care systems have lower costs and improved  
3 patient outcomes. Recognizing this correlation, many states  
4 have made the policy decision to dedicate public funds to the  
5 development of a strong primary health care workforce.

6 The only loan repayment program currently available in the  
7 State is administered by the John A. Burns school of medicine at  
8 the University of Hawaii at Manoa. This program leverages  
9 private donations to access matching federal funds through the  
10 State Loan Repayment Program of the National Health Service  
11 Corps of the Department of Health and Human Services. Since  
12 September 1, 2012, the loan repayment program has supported  
13 forty-two recipients in exchange for work in underserved  
14 geographic and practice areas in Hawaii. Currently, health care  
15 professionals who have benefited from the loan repayment program  
16 serve the communities of Waianae, Hilo, and Wailuku; at health  
17 clinics in Kalihi-Palama Health Center, Queen Emma Clinic, and  
18 Waikiki Health Center; and in public institutional settings at  
19 the Federal Detention Center in Honolulu and the Halawa  
20 correctional facility.



1       The legislature recognizes the considerable public outcomes  
2 achieved from the general funds allocated in each year of the  
3 2017-2019 biennium to educate, train, and facilitate health care  
4 professionals to work in underserved areas. At this time, the  
5 loan repayment program supports twenty-four providers in Hawaii.

6       The purpose of this Act is to appropriate funds to the  
7 department of health to fund the health care provider loan  
8 repayment program administered through the John A. Burns school  
9 of medicine to provide loan repayment for physicians, physician  
10 assistants, psychologists, nurse practitioners, social workers,  
11 marriage and family counselors, and nurses who agree to work in  
12 a federally-designated health professional shortage area or in a  
13 geographic area of Hawaii found to be underserved.

14       SECTION 2. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$350,000 or so much  
16 thereof as may be necessary for fiscal year 2019-2020 and the  
17 same sum or so much thereof as may be necessary for fiscal year  
18 2020-2021 for the health care provider loan repayment program;  
19 provided that no funds shall be expended unless matched on a  
20 dollar-for-dollar basis by funds from a private or another  
21 public source.



1       The sums appropriated shall be expended by the department  
2 of health in coordination with the John A. Burns school of  
3 medicine at the University of Hawaii at Manoa for the purposes  
4 of this Act.

5       SECTION 3. This Act shall take effect on July 1, 2019.

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INTRODUCED BY: Rosalyn H. Beh

*[Signature]*

*[Signature]*

Clarence K. Nishikawa

Simon Mercado Kim

~~DC~~ Sarah Agan

Nichelle Kidani



# S.B. NO. 1404

**Report Title:**

Loan Repayment; Health Care Professionals; Matching Funds

**Description:**

Appropriates funds for the health care provider loan repayment program administered through the John A. Burns School of Medicine of the University of Hawaii at Manoa; provided that the funds are matched on a dollar-for-dollar basis by a private or another public source.

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